Confusion Objections to Trade Mark Applications: Various Approaches

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When an applicant receives an objection from the Canadian Trade-marks Office based on confusion with a registered or pending trade mark, there are several options the applicant can and should consider for overcoming the objection. The following outlines several options.

1) Submit arguments that the mark is not confusing.

Before filing such arguments, the applicant should consider if it wants to publicly acknowledge that there is no likelihood of confusion between the trade marks, since to do so may preclude it from later claiming confusion against the owner of the cited trade mark, or other parties, in circumstances such as an opposition or legal proceeding.

2) Initiate summary cancellation proceedings against the cited registration.

An applicant can attempt to cancel the cited trade mark registration using the summary non-use cancellation proceedings described in Section 45 of the Trade-marks Act. This applies to any registration that is more than three years old, and that has not been used for three years in association with some or all of the wares and/or services covered. In some cases, these proceedings are initiated as leverage to persuade the owner of the cited trade mark to restrict its registration to delete overlapping wares and/or services, or make other concessions.

3) Approach the owner of the cited trade mark regarding consent to co-existence on the Register and in the marketplace.

Careful consideration should be given before seeking consent of the owner of the cited trade mark because of the possible impact on the distinctiveness of both parties’ trade marks. Also, rather than achieving the desired result, there is a risk that making a competitor, or prospective competitor, aware of the applicant’s trade mark could prompt a challenge to registration (through an opposition) and/or a challenge to the use of the applicant’s trade mark. Consent is more likely to be granted in situations where the parties’ trade marks peacefully co-exist in other jurisdictions and their businesses are not directly competitive. In fact, consents are much more common in other jurisdictions than they are in Canada – a fact of which foreign applicants should be made aware.

Even with the written consent of the owner of the cited trade mark, the Trade-marks Office is not obliged to withdraw a confusion objection, and is unlikely to do so where the marks or wares and services are identical (despite possible differences in channels of trade). A consent is much more likely to succeed in overcoming a confusion objection if it indicates that: (a) the parties’ wares and services differ to such an extent that they are unlikely to be offered through the same trade channels; (b) the contemporaneous use of the marks would not lead to a likelihood of confusion; (c) the parties will do everything they can to avoid marketplace confusion; and (d) the marks have co-existed in the marketplace with no known instance of actual confusion.

When filing a consent, the applicant still has to file brief arguments to overcome the confusion objection. As such, this route is usually only considered where the confusion objection has been maintained following the submission of arguments, or where it is unlikely that the applicant would be able to overcome the objection by argument alone.

4) Approach the owner of the cited trade mark regarding licensing or assignment/purchasing opportunities.

In cases where the marks are identical or nearly identical and cover directly overlapping wares and/or services, the
applicant may consider if the owner of the cited trade mark might be willing to license the applicant to use the cited mark. Where the cited trade mark is no longer in use or the owner has lost interest in it, the owner may be more inclined to assign or sell it, or, if pending, the cited application may be allowed to lapse.

5) Monitor a cited co-pending application.

In the case of a pending cited application, particularly one based on proposed use, the applicant may choose to monitor the cited application to see if the overlapping wares/services are deleted prior to registration or if the application becomes abandoned. However, applicants choosing this option should be aware that it may take a considerable amount of time before the cited application issues to registration or becomes abandoned, and the applicant may not be able to keep its application pending (as extensions of time are limited), until the cited co-pending application issues to registration or becomes abandoned.

6) Delete the overlapping wares/services.

If appropriate, the applicant may simply decide to delete the overlapping wares/services from its application to overcome the citation.

7) Allow the subject application to become abandoned.

If all else fails, the applicant always has the option of either withdrawing its application or not filing a response to the confusion objection and simply allowing its application to become abandoned. In Canada, this conduct does not presume confusion. Depending upon the state of the marketplace for similar marks, and the resolve of the owner of the cited mark to enforce its registration, the applicant may still be able to use its mark, and thus acquire common law rights. Although, before proceeding to use the mark, the applicant should discuss the associated risks of doing so with a trade mark agent.

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Trade mark applicants should be made aware of the various options potentially available when confronted by a confusion objection, in order to consider the best course of action for dealing with same.

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